

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE SECURITY CAPITAL ASSURANCE
LTD. SECURITIES LITIGATION

07 Civ. 11086 (DAB)

DECLARATION OF JAMES B. WEIDNER

I, James B. Weidner, declare:

1. I am a member of the Bar of this Court and a Partner at Clifford Chance US LLP, counsel for Defendants Goldman, Sachs & Co., J.P. Morgan Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Inc. (collectively, the “Secondary Offering Underwriters”). I submit this declaration and the exhibits attached hereto in support of the Secondary Offering Underwriters’ Motion to Dismiss.

2. Attached hereto as Exhibit A is a true and correct copy of the Secondary Offering Prospectus for Security Capital Assurance Ltd. (“SCA”), dated June 6, 2007.

3. Attached hereto as Exhibit B is a true and correct copy of the *Reuters* article entitled “TIMELINE - The credit crunch of 2007,” which was published on November 16, 2007.

4. Attached hereto as Exhibit C is a true and correct copy of the June 23, 2007 *New York Times* article entitled “\$3.2 Billion Move by Bear Stearns to Rescue Fund.”

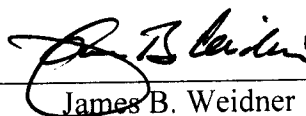
5. Attached hereto as Exhibit D is a true and correct copy of the June 28, 2007 *MarketWatch* article entitled “Subprime shakeout claims another fund.”

6. Attached hereto as Exhibit E is a true and correct copy of the July 6, 2007 *New York Times* article entitled “After Losses, UBS Ousts Its Chief.”

7. Attached hereto as Exhibit F is a true and correct copy of the December 12, 2007 *Wall Street Journal* article by Alan Greenspan, Chairman of the Federal Reserve Board from 1987 to 2006, entitled "The Roots of the Mortgage Crisis."

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
September 10, 2010


James B. Weidner